

CITY COUNCIL OF THE CITY OF ANNAPOLIS

ORDINANCE NO. O-37-05 Amended

Introduced by Alderwoman Hoyle

LEGISLATIVE HISTORY			
First Reader:	Public Hearing:	Fiscal Impact Note:	120 Day Rule:
11/14/05	1/23/06	2/3/06	3/14/06
Referred to:	Meeting Date:	Action Taken:	
Rules & City Gov't	2/7/06	Favorable w/amendments	

AN ORDINANCE concerning

Affordable Housing for Teachers

FOR the purpose of expanding eligibility for Moderately Priced Dwelling Units (MPDUs) from teachers in schools located only within the City's boundaries to all teachers at any school located in the Annapolis Senior High School district; making condominium conversions approved after the effective date subject to MPDU requirements; capping the sales contract deposit at \$1,000 for the purchase of an MPDU; and all matters generally relating to said ~~eligibility for~~ MPDUs.

BY repealing and re-enacting ~~section 20.30.020~~ the following of the Code of the City of Annapolis, ~~2005~~ 2006 Edition:

Section 20.30.020

Section 20.30.030

Section 20.30.130

SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that the Code of the City of Annapolis shall read as follows:

Section 20.30.020 Definitions.

In general, in this chapter, unless another meaning is plainly intended, the following words have the meanings indicated.

"Applicant" means any person, firm, partnership, association, joint venture, corporation, or any other entity or combination of entities, who either submits for subdivision approval for a residential "for sale" project under this chapter or is developing rental property, and which plan provides for the development of a total of ten or more dwelling

units in one or more stages of development regardless of whether any land has been transferred to another party.

“At one location” means all adjacent land of the applicant if:

1. The property lines are contiguous or nearly contiguous at any point;
2. The property lines are separated only by a public or private street, road, highway or utility right-of-way, or other public or private right-of-way at any point; or
3. The property lines are separated only by other land of the applicant which is not subject to this chapter at the time of any permit, site plan, development, or subdivision application by the applicant.

“Certificate of eligibility” means a certificate issued by the Department of Planning and Zoning and signed by the person seeking to own or rent an MPDU and the Planning and Zoning Director that certifies that the person is qualified to buy or rent an MPDU.

“Consumer Price Index” means the latest published version of the Consumer Price Index for All Urban Consumers (CPI-U) of the U.S. Department of Labor for the Baltimore metropolitan area.

“Date of original rental” means the date of the first lease agreement for a MPDU.

“Date of original sale” means the date of settlement for purchase of a MPDU.

“Eligible person” means a person or household:

1. Whose income is eighty one hundred percent or less than the family median income for the Baltimore Metropolitan Statistical Area (MSA), with adjustments for household size, as reported by the United States Department of Housing and Urban Development (HUD);

2. Who holds a valid certificate of eligibility that entitles the person or household to buy or rent an MPDU;

3. Who does not currently own a home; and

- ~~4. Is a city resident, or in the employ of the City of Annapolis beyond their probationary period, or is a full time teacher in an elementary, middle or high school within the City limits or in any school that is included in the Annapolis Senior High School district as defined by Anne Arundel County Public Schools.~~

4. (a) Is a city resident or has been employed within the City for at least the past twelve months prior to applying for a certificate of eligibility under section 20.30.100, or

- (b) Is in the employ of the City of Annapolis beyond their probationary period, or

(d) Is a full-time teacher or staff member in an elementary, middle or high school within the City limits or in any school that is included in the Annapolis Senior High School district as defined by Anne Arundel County Public Schools.

“Expedited review process” means an application for a planned residential development containing MPDUs in conformance with Section 20.30.050 shall be processed as a priority review project consistent with Section 20.30.010. Prior to the submittal of a preliminary or final plan, the applicant and the Director of Planning and Zoning shall agree to a proposed schedule for both the applicant’s submittals of plans and the Department of Planning and Zoning’s reviews of those submittals. The schedule shall establish reasonable timelines for all parties and all parties will endeavor in good faith to meet the timelines.

“Homeownership assistance trust fund” means a fund established under this chapter in order to achieve the purposes of Section 20.30.070 to be administered by the Department of Planning and Zoning.

HUD’s “fair market rents” (FMRs) shall mean the FMRs for the Baltimore MSA as published from time to time by HUD.

“Moderately priced dwelling unit,” or “MPDU,” means a dwelling unit which:

1. Is offered for sale or rent to eligible persons or to the Department of Planning and Zoning and sold or rented under this chapter;

2. Is offered for a maximum sales price to be determined by the Department of Planning and Zoning under Section 20.30.110 of this chapter,

3. Is offered for a monthly rental price of:

a. One hundred percent of HUD’s fair market rents if the landlord pays all utilities (heat, water, sewer, electric, and trash); or

b. Eighty percent of Baltimore MSA, HUD fair market rents if the landlord does not pay all utilities (heat, water, sewer, electric, and trash).

4. And, the monthly rental price of which shall be recalculated each year by the Department of Planning and Zoning based on HUD’s recalculation of fair market rents.

“Occupancy period” means the time an MPDU is subject to either resale price controls and owner occupancy requirements or maximum rental limits. The occupancy period is ten years for sale units and twenty years for rental units, and begins on the date of initial sale or rental. If a sale or rental MPDU is sold to an eligible person within ten years after its initial sale or rental, the unit must be treated as a new MPDU and a new control occupancy period must begin on the date of the sale or rental.

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2 “Residential development” includes:
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- 4 1. All proposed subdivisions, rental property, condominiums, cooperatives, and new
5 mixed use developments with a residential component;
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7 2. A development that is a rehabilitation of an existing multiple family residential
8 structure that increases the number of residential units from the number of units in the
9 existing structure by four or more dwelling units;
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11 3. Part of the conversion of a rental property to a condominium or cooperative; and
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13 4. A development that will change the use of an existing building from a nonresidential
14 to a residential use.
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16 **Section 20.30.030 Applicability.**
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18 A. Compliance with the provisions of this chapter shall be required as a condition of
19 approval for all residential development except that compliance with the provisions of
20 this chapter shall not be required as a condition of approval for:
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22 1. A planned development, or any residential development which requires special
23 exception approval, for which special exception approval has been obtained on or
24 before the effective date of Ordinance No. O-7-03; or
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26 2. A residential development not requiring special exception approval and for which
27 record plat approval has been obtained on or before the effective date of Ordinance O-
28 7-03.
29

30 3. Any conversion from a residential rental property to a condominium property for
31 which condominium approval has been obtained prior to March 13, 2006. As used
32 herein “condominium approval” shall mean when a condominium property has been
33 registered with the Secretary of the State, as set forth under Section 11-127 of the Real
34 Property Article of the Maryland Code.
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36 B. An applicant may not avoid this chapter by submitting phasing of new development in
37 increments below the thresholds established in Section 20.030.020(A), the first being
38 after the effective date of this chapter.
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40 C. An applicant may submit a request for residential development below the thresholds
41 set forth in Section 20.030.02(A), but the applicant must agree in writing that when unit
42 thresholds are reached, the applicant will meet the requirements of this chapter.”
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44 **20.30.130 Procedures for sale and rental of MPDUs.**
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A. Procedures for Sale or Rental of MPDUs.

1. Every MPDU required under this chapter must be rented or sold to eligible persons to be used for his or her own residence.

2. Before offering any MPDUs for sale or rent, the applicant must notify the Department of Planning and Zoning of the proposed offering and the date on which the applicant will be ready to begin marketing to eligible persons. The notice must include:

a. Whether the units will be sold or rented;

b. The number of units offered;

c. The number of bedrooms;

d. The floor area for each unit type;

e. A description of the amenities offered in each unit and a statement of the availability of each unit for sale or rent;

f. A vicinity map of the offering; and

g. Other information or documents as the Department of Planning and Zoning finds necessary to determine compliance with this chapter. This notice by the Department of Planning and Zoning shall be issued within thirty days of the date from which the applicant first submitted its notice to commence marketing.

3. The Department of Planning and Zoning will maintain a list of eligible persons and must notify eligible persons by mail and by newspaper prior to the start of the marketing period.

4. An applicant must not sell or rent any unit to a qualified person as defined in this chapter until such person has obtained a certificate of eligibility issued by the Department of Planning and Zoning from the buyer or lessee. A copy of each certificate must be maintained on file by the Department of Planning and Zoning.

5. Ninety days after the start of the marketing period, the Department of Planning and Zoning may purchase a for sale MPDU if no eligible person has entered into a purchase agreement or contracted to buy that MPDU. The Department of Planning and Zoning shall only rent or sell the MPDU to an eligible person.

6. The deposit required with the sales contract for the purchase of an MPDU shall not exceed \$1,000.

67. Every buyer or renter of an MPDU must occupy the unit as his or her primary residence during the control period. Each buyer and renter must certify before taking occupancy that he or she will occupy the unit as his or her primary residence during the occupancy period. The Director of Planning and Zoning may require an owner who does not occupy the unit as his or her primary residence to offer the unit for resale to an eligible person under the resale provisions of Section 20.30.140. Every MPDU required under this chapter must be offered to the general public for sale or rental to a good-faith purchaser or renter to be used for his or her own primary residence, except units offered

1 for sale or rent to a non-profit corporation, whose purpose is to provide housing for
2 persons of moderate income.

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4 78. An owner of an MPDU may not rent the unit unless the renter is an eligible person,
5 and the rental is approved in writing by the Department of Planning and Zoning
6 annually.

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8 89. Any rent obtained for a MPDU that is rented to an ineligible person must be paid into
9 the homeownership assistance trust fund by the owner within ninety days after the
10 Department of Planning and Zoning notifies the owner of the rental violation. Any
11 amount unpaid after ninety days is grounds for the Department of Planning and Zoning
12 to assess a monthly fee that is equal to the HUD fair market rent for the MPDU.”
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16 **SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**
17 **ANNAPOLIS CITY COUNCIL** that this Ordinance shall take effect from the date of its
18 passage.
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20 **ADOPTED** this 13th day of March, 2006.
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23 **ATTEST:**

THE ANNAPOLIS CITY COUNCIL

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27 Regina C. Watkins-Eldridge, CMC
28 **City Clerk**
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BY: ELLEN O. MOYER, MAYOR

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31
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EXPLANATION:

Highlighting indicates matter added to existing
law.

~~Strike Out indicates matter deleted from existing~~
~~law.~~

Underlining indicates amendments.